

A bill for an act
relating to real estate; streamlining the process of connecting an owner facing
a residential mortgage foreclosure with an authorized foreclosure prevention
agency and with a person authorized to negotiate on behalf of the foreclosing
lender; amending Minnesota Statutes 2008, section 580.021, subdivision 3;
repealing Minnesota Statutes 2008, sections 580.021, subdivision 4; 580.022,
subdivision 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 580.021, subdivision 3, is amended to read:

Subd. 3. **Notification to authorized counseling agency.** The party entitled to
foreclose shall, within one week ~~of~~ after sending the notice prescribed in section 580.022,
provide electronically to the appropriate authorized foreclosure prevention agency the
mortgagee and mortgagor information including the mortgagor's name, mailing address,
~~and~~ most recent known daytime and evening telephone number numbers, any known
e-mail address, and the address of the property at risk of foreclosure if different from
mortgagor's mailing address.

In the same communication, the mortgagee shall also provide the name and contact
information of the agent of the mortgagee authorized to discuss and negotiate resolution
of the default. The mortgagee contact information must include the agent's name, mail
and e-mail addresses, and direct phone and fax numbers. The contact information must
also include the name, direct phone number, and e-mail address of the loss mitigation
department manager. The agent must be a person authorized by the mortgagee to:

(1) discuss the terms of the mortgage with the authorized foreclosure prevention
agency or the mortgagor; and

(2) negotiate any resolution of the mortgagor's default.

2.1 Nothing in this subdivision requires a mortgagee to reach a resolution relating to
2.2 the mortgagor's default.

2.3 **EFFECTIVE DATE.** This section is effective August 1, 2010, and applies to
2.4 foreclosures in which the notice required under Minnesota Statutes, section 580.021,
2.5 subdivision 2, is provided on or after that date.

2.6 Sec. 2. **REPEALER.**

2.7 Minnesota Statutes 2008, sections 580.021, subdivision 4; 580.022, subdivision
2.8 2, are repealed.

2.9 **EFFECTIVE DATE.** This section is effective August 1, 2010, and applies to
2.10 foreclosures in which the notice required under Minnesota Statutes, section 580.021,
2.11 subdivision 2, is provided on or after that date.

580.021 FORECLOSURE PREVENTION COUNSELING.

Subd. 4. **Notice of provision of counseling; request for contact information.** (a) An authorized foreclosure prevention agency that contacts or is contacted by a mortgagor or the mortgagor's authorized representative and agrees to provide foreclosure prevention assistance services to the mortgagor or representative must provide the form prescribed in section 580.022 to the mortgagee. The form serves as notice to the mortgagee that the mortgagor is receiving foreclosure prevention counseling assistance.

(b) The mortgagee must return the form to the authorized foreclosure prevention agency within 15 days of receipt of the form with the name and telephone number of the mortgagee's agent. The agent must be a person authorized by the mortgagee to:

(1) discuss with the authorized foreclosure prevention agency or the mortgagor the terms of the mortgage; and

(2) negotiate any resolution to the mortgagor's default.

(c) Nothing in this subdivision requires a mortgagee to reach a resolution relating to the mortgagor's default.

580.022 FORMS.

Subd. 2. **Notice of Counseling and Request for Contact Information form.** The notice required in section 580.021, subdivision 4, must be substantially in the following form:

"PREFORECLOSURE NOTICE

NOTICE OF PROVISION OF FORECLOSURE PREVENTION COUNSELING AND
REQUEST FOR MORTGAGEE CONTACT INFORMATION

[Insert agency name] has been contacted by your customer regarding foreclosure prevention counseling in response to the current foreclosure proceedings involving the customer's real property. Please provide the following contact information pursuant to Minnesota Statutes, section 580.021, subdivision 4, by completing and returning this form via fax [insert fax number] or via e-mail at [insert e-mail address].

To be completed by Counseling Agency

Consumer Name: _____

CONSUMER CONTACT INFORMATION:

Address: _____

City, State, Zip Code: _____

Daytime Phone: _____

Nighttime Phone: _____

PROPERTY AT RISK FOR FORECLOSURE (if differs from above):

Address: _____

City, State, Zip Code: _____

COUNSELING AGENCY CONTACT:

Name: _____

Agency: _____

Phone: _____

Fax: _____

E-mail: _____

To be completed by Lender

Contact Name: _____

Address: _____

City, State, Zip Code: _____

Phone: _____

APPENDIX
Repealed Minnesota Statutes: 10-4716

Fax: _____
E-mail: _____"